



Veteran Owned Business Roundtable

04/30/2014 Address to Michigan House Committee on SDVOB State Contracting.

As we express our gratitude, we must never forget that the highest appreciation is not to utter words, but to live by them" – U.S. President John Fitzgerald Kennedy

In 2005 the legislature of our state passed Public Act 431 setting a goal of 3% for all state contracts to be engaged with Service Disabled Veteran Owned Business. Governor Jennifer Granholm later increased that goal to 5%. Yet the goal has never been achieved. Indeed, if all department purchases were included in the analysis the achievement would be called disappointing at best.

The Veteran's Roundtable has pressed for several years to secure for our service disabled veteran business owners the benefits intended by the legislature since 2005. We stand today in support of this proposed amendment to PA 431 to deliver upon the promises of the State of Michigan to those who have served.

Throughout our nation's history the treatment of her military veterans has been checkered. The Revolutionary War provisions and pay were provided only haltingly. Still those noble early Americans stood faithful to their oath of service. The Continental Congress of 1776, hoping to encourage enlistments, offered pensions amounting to half pay for life for those who had lost limbs or were otherwise seriously disabled. Lacking the funds to deliver on their benevolence, congress left it to the states with lamentable results. Fewer than three thousand soldiers received low payments from their country.

In 1835 the northern states wished to have tariffs protecting them from European competition and payment of the promises to veterans for the Revolutionary War was raised as the justification. But just 850 of the original 250,000 veterans received benefits the main one of which was warrants on free land.

After America's great Civil War in which more than a half million soldiers died there were more than two million military veterans with enough political clout to force the issue with recalcitrant politicians. But before The Great War had begun the dwindling number of veterans softened the pressure to treat fairly those who answered the country's call to duty and so the bonuses promised to veterans serving in the First World War were made irredeemable before 1945. When the

Great Depression gripped the country and those veterans gathered in Washington in 1932 seeking payment of those bonuses to relieve their plight their claims were answered with tear gas and bayonets. After the election of Franklin Delano Roosevelt the Economy Act empowered the president to curtail the payments to veterans which he did, though congress overrode his veto to restore a portion of those benefits.

During WWII the United States pressed into military service a greater number of Americans than at any time in the nation's history. More than sixteen million veterans returned to domestic life and the surge overwhelmed an economy struggling with the transition to peacetime production. The GI Bill was instituted to help assimilate those soldiers who had won the unconditional surrender of the Axis Powers. At last America was honoring a debt to those who had served. The Korean War veterans were awarded a similar level of benefits, though the conclusion of that conflict was less a satisfying one.

Little more than a decade later the Vietnam conflict ushered in a shameful episode in the treatment of America's military men. The anti-war sentiment attendant to the social tumult of the decade of the sixties regarded those in uniform with disgraceful treatment. The sad legacy of that rude treatment and a failed execution of the war haunted our nation for too many years.

The success of the first Gulf War restored the respect of Americans for military service. Since that time there have been many efforts to make amends for the ignominious behavior of the Vietnam Era. But some efforts have been less successful than intended and Public Act 431 is among them. Though it is nearly a decade since the state legislature promised consideration to Service Disabled Veteran Owned Business the achievement against goal is underwhelming.

If we wait long enough the larger number of established SDVOBs in our state will have passed away or moved into retirement. Already the Vietnam Era veterans like myself are approaching our golden years. The noble intent of the legislature has been confounded by weak resolve in the administrative state and though you may hear excuses that it is too hard to find veteran entrepreneurs there are countervailing stories of the bureaucratic frustrations laid upon those SDVOBs

who have endeavored to receive the promise of this legislation we seek to reinforce. Having stated that, we recommend that the legislation be further modified to include all veteran owned business broadening that population of prospective contractors to satisfy the needs of our state.

When my children were growing up I taught them the 'pairs of A's' to guide their path. One of those pairs of A's which I gave them was Authority and Accountability. I taught them to never assume one without the other, regardless of which. The apparent problem in choosing one without the other is to invite failure. Without accountability authority is generally misused, either by a failure to exercise it or by an over reaching of it. Accountability without the attendant authority is a fool's errand. The state agencies have been authorized to contract with SDVOB's but there is no meaningful accountability or consequences when the achievement of the objective falls far short. This is also an element lacking from this proposed amendment thought must be addressed by the legislature if this endeavor is to be productive.

Another wave of veterans will return to our state from wars in Afghanistan and Iraq. These are volunteers who answered the call to duty without hesitation and without reserve. We must not be satisfied to greet them with a status quo of failing to reach the objective on behalf of veteran owned business.

"Let the American youth never forget, that they possess a noble inheritance, bought by the toils, and sufferings, and blood of their ancestors; and a capacity, if wisely improved, and faithfully guarded, of transmitting to their latest posterity all the substantial blessings of life, the peaceful enjoyment of liberty, property, religion, and independence." -- Joseph Story, U.S Supreme Court Justice

You will soon hear from our Roundtable's past president Keith King who instilled a founding standard in our Roundtable's missions; We begin our missions with two questions: Is it the right thing to do? Can we do it right? John Quincy Adams wrote, 'Posterity, you will never know how much it has cost my generation to preserve your liberty.' He was reminding us that this freedom we all enjoy was purchased at the price of blood as well as treasure. I need not persuade you this is the right thing to do. We urge you to do it right by passing this amendment.